

**Ekosem-Agrar issues corporate bond at 8.75% p.a.**

- **Subscription period of the agricultural bond to commence on 12 March 2012**
- **Issue volume of up to EUR 50 million**
- **Russia's third largest milk producer continues strong growth**

Walldorf, 6 March 2012 – Ekosem-Agrar GmbH, the German holding company of Russian milk producer Ekoniva Group, has announced the details of the planned corporate bond issue of up to EUR 50 million. The Ekosem-Agrar bond (WKN: A1MLSJ, ISIN: DE000A1MLSJ1) carries a fixed interest rate of 8.75% p.a. and has a term of 5 years. Subscription period is scheduled to commence on 12 March and to end on 21 March 2012. The bond will be targeting at institutional investors and asset managers as well as retail investors. The bond will be trading in the Bondm segment of the Stuttgart Stock Exchange and will be the first bond in 2012 to be listed in this segment. Retail investors can subscribe to the bond with a minimum denomination of EUR 1,000 directly by placing an order through their bank at the Stuttgart Stock Exchange. FION GmbH is the Bondm Coach, while equinet Bank AG is mandated as the lead manager.

The bond offering includes several covenants such as a change of control clause as well as a full dividend restriction during the entire term of the bond. "The bond gives investors the opportunity to benefit from the promising agricultural sector in a fast-growing and huge emerging country," says Stefan Dürr, CEO of Ekosem-Agrar GmbH. "The current shareholders are equally convinced of these opportunities and have committed themselves to a full dividend restriction." Stefan Dürr is the founder of the company and has been active in Russia's agricultural sector for almost 20 years. He was awarded the Order of Merit of the Federal Republic of Germany in recognition of his contributions to the German-Russian agricultural dialogue in 2009.

Some 160,000 hectares of agricultural land (equivalent to nearly two thirds of the size of the Saarland) and some 30,000 cattle, including 12,000 dairy cows, make Ekosem-Agrar one of the leading agricultural corporations in Russia. In the past financial year, the company's operating profit increased by 557% to EUR 13.8 million. The company will use the proceeds

from the bond issue to finance its continued growth and to optimise its financing structure. Creditreform, a EU rating agency officially acknowledged by the Federal Financial Supervisory Authority (BaFin), has given Ekosem-Agrar GmbH a rating of BB+, which shows that the company's credit standing is above the average of the corporate sector as a whole.

From the very beginning, the Group, which meanwhile employs roughly 3,000 people, has relied on a sustainable business model and the highest quality standards. As a result, it has become the third largest milk producer in Russia in the course of only a few years. In the past financial year, the annual milk output exceeded 50,000 tons, which represents an increase of 70% on the previous year. Over 80,000 tons are planned for the current financial year. In addition, Ekosem-Agrar is a leading seeds producer and is significantly expanding its premium beef operations in Russia.

Russia offers fantastic opportunities for farming. It is the largest territorial state in the world, and the Black Soil region, which is the company's prime area of activity, is considered one of the most fertile regions worldwide. The framework conditions in the dairy market could hardly be better. At 44 euro cents, the milk price is much higher than in Germany. This is due to the fact that Russia can cover only 60% of its milk consumption and some 8 million tons of milk equivalent need to be imported each year. This is equivalent to the output of one million dairy cows.

"We have gained a leading market position over the past years. Building on our established business model, we want to expand this position and continue profitable growth at our existing six locations", says Wolfgang Bläsi, CFO and Managing Director of Ekosem-Agrar GmbH. The company intends to increase the number of dairy cows to roughly 21,000 and to expand its agricultural land to 230,000 hectares by the year 2015.

**Facts & figures of the agricultural bond**

Subscription period:	12 - 21 March 2012 subject to preliminary closure
Issue volume:	Up to EUR 50,000,000
WKN / ISIN:	A1MLSJ / DE000A1MLSJ1
Interest rate:	8.75%
Term:	5 years
Interest payment:	Annually, first payment on 23 March 2013
Redemption price:	100%
Denomination:	EUR 1,000
Type of security:	Partial bearer bonds
Stock exchange segment:	Bondm, Stuttgart Stock Exchange
Company rating:	BB+ (Creditreform Rating AG)

Legally binding securities prospectus available for download in German only at [www.ekosem-agrar.de/de/anleihe](http://www.ekosem-agrar.de/de/anleihe)

**Disclaimer:**

This information does not constitute an offer to buy securities of Ekosem-Agrar GmbH and should not be regarded as a substitute for a securities prospectus. Any investment decision regarding the bond issued by Ekosem-Agrar GmbH must be based exclusively on the securities prospectus approved by the Federal Financial Supervisory Authority, which can be found at [www.ekosem-agrar.de](http://www.ekosem-agrar.de).

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**About Ekosem-Agrar**

Ekosem-Agrar GmbH, based in Walldorf, Germany, is the holding company of Ekoniva Group, one of the biggest Russian agricultural companies. The company is the third-largest milk producer in Russia, owning 30,000 cattle and generating an average daily milk yield of 215 tons. The Group has an overall area of 160,000 hectares at its disposal and ranks among the leading producers of seeds. As a third area of activity the company currently develops the premium beef business. Stefan Dürr, founder and managing director of the company, has been working in the Russian agriculture business since the end of the 1980s and made a significant contribution to shaping the sector's modernization during the past two decades. In 2009, Stefan Dürr was awarded the Order of Merit of the Federal Republic of Germany for his commitment to the German-Russian dialog on agriculture. The Group employs approximately 3,000 employees at six sites across Russia, and has achieved an operating output in FY 2010/2011 of EUR 81m.

More information: [www.ekosem-agrar.de](http://www.ekosem-agrar.de)